

Eighth meeting of the Standing Committee on Finance Bonn, Germany, 1–3 October 2014

Background paper on the third forum of the Standing Committee on Finance

1. Background

1. At its seventeenth session, the Conference of the Parties (COP) agreed on the functions and activities of the Standing Committee on Finance (SCF), including the organization of a forum for the communication and continued exchange of information among bodies and entities dealing with climate change finance in order to promote linkages and coherence.¹
2. At COP 18, Parties looked forward to the creation of a climate finance forum which will enable all Parties and stakeholders to, inter alia, exchange ideas on scaling up climate finance.² They also encouraged the SCF to facilitate the participation of the private sector, financial institutions and academia in the forum;³ and requested the SCF to report on the forum in its annual reports to the COP.
3. Last year, at COP 19,⁴ Parties requested the SCF to focus its soonest possible forum on issues related to finance for forests, including the implementation of activities referred to in decision 1/CP.16, paragraph 70.⁵ At the same session, the COP requested the SCF to invite experts on the implementation of the latter activities to the forum.

2. Lessons learned from the first and second forums of the SCF that can be applied to the third forum

(a) Venue, location and logistics

4. It has been found helpful to partner and collaborate with other institutions that are familiar with the service providers and the suppliers. It has also proven to be more cost-effective. The third forum could be held in conjunction with another related event with a large convening power, to be identified by the SCF, so as to continue to encourage collaboration, to reach out to a wider range of stakeholders, and to ensure cost-effectiveness.
5. It was noted that no other meetings should take place in parallel with the SCF Forum, as the audience members then need to divide their time.
6. Regarding the location, visa issues have been a difficulty for some participants in developing countries in the previous two forums. This was due to time constraints, and for the second forum, also due to the need for many to transit through the USA and the strict visa requirements thereof.
7. In addition, in light of the COP decision recommending the organization of meetings of the constituted bodies in Bonn, a sound justification was needed by the co-chairs to justify a meeting venue outside of Germany. The justification has been based on cost-savings and the ability to reach out to a wider audience thus far.

(b) Timing of decision-making

8. The organization of the forums entails extensive administrative and logistical work, so a timely decision by the SCF on the venue and date of the third forum would facilitate not only the administrative efforts by the secretariat, but also securing the attendance of adequate resource persons and participants, and cost-savings due to timely booking of accommodation and travel.

¹ Decision 2/CP.17 para 121(a).

² Decision 1/CP.18.

³ Decision 5/CP.18.

⁴ Decision 9/CP.19, paragraphs 20 and 21.

⁵ Inter alia, ways and means to transfer payments for results-based actions as referred to in decision 1/CP.18, paragraph 29; and the provision of financial resources for alternative approaches.



That said, the SCF also requires comprehensive information on options available, and this information is not always confirmed at the time that the SCF needs to decide.

(c) Duration

9. Two days was felt by most to be a suitable amount of time for the second forum. It was noted by a number of participants that parallel sessions should not be incorporated into future forums, since participants prefer to be able to attend all sessions and not have to choose.

(d) Participation

10. It was acknowledged that participants came from a wide range of sectors and constituencies, which was beneficial for the forums. Despite this, it was noted that there was low private sector participation in the second forum, which should be addressed in future forums. It was mentioned that the relevance for the private sector needs to be communicated more clearly in the future, and that the amount of private sector participants also depends on the event in conjunction with which the forum is held.

11. It was also noted that holding the SCF forums in parallel with other events (as opposed to back-to-back) can be problematic, as the audience needs to divide time between both.

12. Thus far, webcasting has not been available at the forums due to budgetary issues linked to the costs of webcasting from venues outside of Bonn. The recordings posted online have proven helpful as an on-demand source, but do not allow for remote interaction or real-time viewing. The quality of the recordings can also not be guaranteed in advance, as the venue normally selects the service provider.

(e) Substantive content and format

13. Thus far the content has been considered appropriate, and a good regional and sectoral balance has been achieved. The large number of case studies presented at the second forum was much appreciated.

14. The second forum was considered to be very interactive, encompassing numerous breakout groups and floor discussions. This was appreciated by the participants. The guiding questions were also appreciated, although could have been limited to 2 per group, as mentioned in feedback received.

3. Options for the organization of the forum of the Standing Committee on Finance in 2015 that could be considered at SCF 8

15. Building on the lessons learned described above, at this point the SCF may wish to consider taking decisions to expedite logistical arrangements.

16. **Format:** consider retaining the two-day format to allow for in-depth discussions and ensuring interactive participation of stakeholders from a variety of organizations and from various regions.

17. **Participation:** The theme of the third forum emanates from the discussions under the agenda item on the work programme on results-based finance to progress the full implementation of the activities referred to in decision 1/CP.16, paragraph 70. As a result, the SCF may wish to consider the target audience to ensure that it incorporates Convention and non-Convention actors. The COP 18 guidance also encourages the engagement of the private sector, financial institutions and academia.

18. **Intersessional work:** The SCF may wish to appoint a working group among its members to work intersessionally on the forum, as has proven very effective previously, facilitated or co-facilitated by members. The SCF may decide to assign the same group and co-facilitators that are assigned to work on the agenda item on “coherence and coordination: finance for forests”.

19. **Strategic partnership/s:** The SCF may also wish to consider the possibility of continuing to establish partnerships for the implementation of the forum. This, as well as opportunities to make use of virtual tools (e.g. webcasting), and opportunities to reach out to a wide variety of participants, could inform the SCFs decision on the venue of the next forum. A number of options for such events are listed in the annex. For some events, information is not yet available.

4. Proposed action for consideration

20. The working group chair/co-chairs, if assigned, could undertake work intersessionally related to logistics and partnership-building.

21. At SCF 9, the SCF may wish to engage in substantive discussions on topics and sub-themes related to financing for forests, taking into account progress made by the SCF on “coherence and coordination: finance for forests”, so as to inform the agenda for the forum. It may also wish to decide whether to produce a background document for the Forum, laying out the background and landscape of financing for forests.

Annex: Relevant events to take place in 2015

<i>Event/Forum and organizer</i>	<i>Date/venue</i>	<i>Description and website</i>	<i>Notes</i>
Center for International Forestry Research (CIFOR)	Information forthcoming	Further information is forthcoming on any relevant events to be held in 2015. CIFOR is working on a concept note on potential collaborative activities.	CIFOR is increasingly engaged in UNFCCC policy issues. At this stage, another event like the 2014 Forest Asia Summit is not planned for 2015.
Tropical Forest Alliance (TFA)	Information forthcoming	Further information is forthcoming	The Tropical Forest Alliance is a public-private partnership.
UNFCCC Climate Change Conference; and Voluntary meeting of national entities or focal points, Parties and relevant entities financing the activities referred to in decision 1/CP. 16, paragraph 70.	3-14 June, Bonn, Germany. Date of the voluntary meeting t.b.c.	The UNFCCC Bonn Climate Change conference. The voluntary meeting of national entities or focal points, Parties and relevant entities financing the activities referred to in decision 1/CP. 16, paragraph 70 is mandated to take place in conjunction with the first sessional period meetings of the subsidiary bodies. ⁶ < www.unfccc.int >	Partners from the land-use TEM could be approached (e.g. FAO, World Bank, CIFOR, Tropical Forest Alliance). Relevant organizations in Bonn could also be approached (Forest Stewardship Council, Fairtrade International). The SB meeting, and voluntary meeting, will have a large convening power.
UN-REDD Policy Board Meeting, UN-REDD Programme secretariat	Two per year, usually in the second and fourth quarters.	"The UN-REDD Programme Policy Board is made up of representatives from partner countries, donors to the Multi-Partner Trust Fund, civil society, Indigenous Peoples and the three Participating UN Organizations (FAO, UNDP and UNEP). The Policy Board's role is to approve financial allocations and give strategic direction to ensure the overall success of the Programme." < http://www.un-redd.org/PolicyBoard/tabid/102628/Default.aspx >	Participation is typically about 110, and many key groups that the SCF is focussing on would not be present.
The eleventh session of the UN Forum on Forests (UNFF11) , UNFF secretariat	4-15 May, New York.	The meeting will consider the future of the international arrangement on forests, based on challenges and its effectiveness, and will review progress in the implementation of the global objectives on forests and the non-legally binding instrument on all types of forests, including thematic issues like SFM. < http://www.un.org/esa/forests/session.html >	Many of the UNFF Focal Points that attend UNFF sessions are different to those that engage in the UNFCCC process.
UNEP-FI	Information forthcoming	Further information is forthcoming	UNEP-FI serves as a platform for convening the financial sector and development finance communities.

⁶ Mandated by decision 10/CP.19, paragraphs 4-9, on coordination of support for the implementation of activities in relation to mitigation actions in the forest sector by developing countries, including institutional arrangements.